



U.S. SENATE COMMITTEE ON

Finance

SENATOR CHUCK GRASSLEY, OF IOWA - CHAIRMAN

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Grassley Praises Chile's Decision on Meat Inspection Equivalency

WASHINGTON – Sen. Chuck Grassley, chairman of the Committee on Finance, today said he was pleased by Chile's announcement that it will recognize the equivalency of the U.S. meat inspection system starting immediately. Talks regarding the meat inspection equivalency issue were held in conjunction with negotiations of the U.S.-Chile Free Trade Agreement (FTA).

"I'm very pleased with Chile's decision," Grassley said. "This is a major accomplishment for U.S. livestock and meat producers, including Iowa's hog and cattle producers. With this technical barrier out of the way, and tariffs going to zero under the U.S.-Chile FTA, the United States has the potential to greatly increase its exports of pork and beef to Chile."

Up until now, Chile only permitted the importation of pork, beef, and lamb from U.S. facilities that paid for Chilean inspectors to travel to the United States to inspect and certify these facilities. Given the costs involved, few U.S. plants were certified to ship meat to Chile. With today's announcement, any meat produced in U.S. federal- or state-approved facilities will be viewed by Chile as equivalent to Chilean-inspected beef, and thus eligible to enter the Chilean market.

"I'm glad that Chilean officials apparently took to heart my concerns that the U.S.-Chile FTA could stall in Congress without the resolution of the meat inspection equivalency issue," Grassley said. "A potentially major obstacle to the passage by Congress of the U.S.-Chile FTA has now been removed."

On May 22, Grassley wrote to U.S. Trade Representative Robert Zoellick urging that U.S. and Chilean officials work expeditiously to resolve the meat inspection equivalency matter. This letter was sent prior to a teleconference held by U.S. and Chilean officials on May 28 to discuss disputed technical standards and sanitary and phytosanitary (SPS) measures imposed by Chile that impede U.S. exports of agricultural products.

"Chile's decision establishes a good precedent for other free trade agreements that the United States is negotiating," Grassley said. "It demonstrates that enhancing our trade relations with other countries can provide the impetus for them to remove unnecessary technical standards and SPS measures that block imports of U.S. products. The meat inspection equivalency issue was an important one for me and the people of Iowa. I'm glad it's been resolved."

